



*Board Governance Policies
Mitel User Group – UK & Ireland*

Version 1 February 2018

Governance Style

The Board will govern with a style that emphasizes outward vision rather than an internal preoccupation, encouragement of diversity in viewpoints, strategic leadership more than administrative detail, clear distinction of Board and staff roles, collective rather than individual decisions, future rather than past or present, and being proactive rather than reactive.

More specifically, the Board will:

- Operate in all ways mindful of its obligation to the Members. It will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling this commitment.
- Enforce upon it whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, policy making principles, respect of roles, speaking with one voice, and ensuring the continual improvement of Board processes and capabilities. Continual redevelopment will include recruitment and orientation of new members in the Board's governance process and periodic Board discussion of process improvement.
- Abide by LMUG's established policies regarding Board code of conduct and professional ethics as dictated in these policies.
- Direct, control, and inspire the organization with thoughtful establishment of the broadest organizational policies reflecting the Board's values and perspectives. The Board's major focus will be on the intended long-term impacts outside the operating organization (objectives), not on the administrative means of attaining those effects.
- Cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be an initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the knowledge and ability of the Board as a body, rather than to substitute their individual judgments for the Board's values.
- Monitor and discuss the Board's process and performance at each meeting
- Neither dwell on or preoccupy Board meetings with administrative responsibilities

Conflict of Interest, Business Ethics and Professional Conduct

The purpose of the conflict of interest policy is to protect the interests of LMUG) when it is contemplating entering a transaction or arrangement that might benefit the private interests of an officer, Director, or person with financial interest in the LMUG or might result in a possible excess benefit transaction. A person is defined as having a financial interest if they have, directly or indirectly, through business, investment, or family, an ownership, investment, or compensation arrangement, or proposal of the in any entity or individual with which the LMUG has a transaction or arrangement or is negotiating a transaction or arrangement.

Directors have a fiduciary responsibility to protect, maintain, and improve the welfare of the LMUG. It is the responsibility of each Director to avoid situations where private or personal interests may conflict with his or her responsibilities, duties, and obligations as a Director. Even

the appearance of a conflict of interest may be considered damaging to the welfare of the organization.

Conflict of Interest

To ensure that individuals who act on LMUG's behalf are motivated by LMUG's best interests and act in furtherance of its mission, conflict of interest situations should be avoided whenever possible, and otherwise disclosed and handled in good faith in accordance with the following guidelines:

A Conflict of Interest shall be defined as any situation where the private interests of a Director are or could be reasonably construed to be inconsistent, incompatible or at odds with the best interests of the organization. It is furthermore defined as any situation involving the expenditure of organization funds where it appears that a Director has received a personal benefit disproportionate to the benefit received by the organization.

Persons nominated or appointed for positions of responsibility within LMUG shall represent and warrant that they have no actual or potential conflict of interest (financial or otherwise) with the goals and missions of LMUG.

Persons holding positions of responsibility within LMUG promptly shall disclose to LMUG's Board of Directors any transactions, interests and relationships that subsequently may arise and which have the potential for creating a conflict of interest.

Upon notification of a material conflict of interest the Board of Directors may do the following:

- Require that such person decline any nomination or appointment or resign their position; or
- Prohibit such person from participating in that situation or decision-making process in which the conflict is specifically material.

Business Ethics and Professional Conduct

LMUG encourages a sound work ethic and requires professional conduct in all matters where a Director's actions, words, or deeds may reasonably reflect on the organization. Both Directors and officers must discharge their duties, including their duties as a member of a committee in good faith; with the care a reasonable prudent person in a similar position would exercise under similar circumstances. This conduct must be maintained during a Director's professional associations with LMUG members, potential members, and the press and third party vendors with whom the LMUG has a business relationship.

Directors have a duty to exercise due diligence in their capacity and to reasonably deliberate certain matters. Inattention to their responsibilities on the Board may be deemed a breach of duty. Directors must look out for "red flags" that indicate any wrongdoing and consider matters that reasonably warrant concern. Directors and officers must not ignore organization affairs or be delinquent in their duty to attend meetings. Good faith is the principal test of the adequacy of a Director's or officer's care and diligence.

Recognizing that the language contained in all sections of the Conflict of Interest, Business Ethics and Professional Conduct policy is subject to interpretations beyond those intended, LMUG intends to confine all regulations to the matters pertaining to personal actions of individual Directors in situations for which they can be held directly accountable without reasonable doubt. In that spirit, LMUG maintains the following guidelines for determining that actions comply with this policy:

- Is it legal? Will I be violating civil law and/or organization bylaws or policies?
- Is it balanced? Is it fair to all concerned in both short and long term?
- Will it promote win/win relationships?
- Will it meet with the approval of the LMUG Board of Directors?
- Will the objectives and goals of the LMUG be furthered if my action was published in a newspaper or an organization newsletter?
- Will it further a LMUG/Mitel partnership?

In situations where there is any remaining doubt about a given course of action, the question should be referred to another Director of the Board for advice and counsel prior to action.

Board Job Description

The Board of Directors is comprised of individuals elected to represent the common interest of the membership and for ensuring the fulfillment of the LMUG's mission through successful and appropriate governance of the organization.

Responsibilities for Directors:

Participation

- Attend all Board meetings and calls (should attend at least 75% of meetings/calls held annually)
- Review agenda and supporting materials prior to Board and committee meetings.
- Serve on and attend committee meetings as necessary and offer to take on special assignments.
- Be informed about LMUG's mission, services, policies, and programs.
- Support the decisions of the Board in public. (Speak with one voice).
- Make decisions in the best interests of the membership.
- Follow conflict of interest and confidentiality policies.
- Keep Board informed of any changes to eligibility status for Director role (i.e. job change)

Planning

- Approve organization's mission and review the management team's performance in achieving it
- Annually assess landscape and environment and approve organization's strategy in relation to it
- Annually review and approve the organizations plan for funding its strategy. Review and approve long-term financial goals.
- Annually review and approve organization's budget.
- Approve major policies (i.e. policies requiring changes to LMUG bylaws and Policies, such as a change to the structure of the Board)
- Review and assessment of ongoing relationship with Mitel and other key partners

Organizational

- Monitor, review and support LMUG management staff
- Set clear and measurable goals to be reviewed for performance annually and ensure evaluation mechanism is in place
- Suggest possible nominees to the Board who can make significant contributions to the work of the Board and LMUG and assist in the orientation of new Directors about the LMUG mission, services and policies.
- Empower the LMUG's management staff to act in good faith on behalf of the organization to advance the mission of the organization.

Officer Role Descriptions

Chairman: Chair of the Board of Directors, responsible for assuring the Board fulfills its responsibilities to the governance of the organization

Responsibilities:

- Chair meetings of the Board
- Ensure that the Board functions effectively, interacts with management optimally and fulfills all its duties
- Develop Board agendas with input from other Directors
- Raise any concerns of the Board or management staff
- Present the Board with evaluation of direction and organizational strength of LMUG
- Annually focus Board's attention on matters of institutional governance that relate to its own structure, role and relationship with management
- Serve as spokesperson for organization
- The Chairman has no authority to make decisions about policies created by the Board
- Inform and closely cooperate with Vice Chairman

Vice Chairman: The primary function of the Vice-Chairman position is to prepare for assuming

the role of Chairman through an active orientation focusing on all aspects of the Chairman's responsibilities. This includes, but is not limited to:

- Serving as parliamentarian for the Board, by becoming thoroughly familiar with the Bylaws, policies, and other documents that form the basis for governing the organization.
- Learning how Board meetings are planned and conducted.
- Acting in role of Chairman in the absence of the Chairman.
- Assuming the office of Chairman should the office become vacant, for the remainder of the term for which the Chairman was elected.

Secretary/ Treasurer: The primary function of the Secretary/ Treasurer is to serve as the Chief Financial Officer of LMUG and to ensure the necessary organizational records are kept in accordance with the policies. This includes, but is not limited to:

- Ensuring the financial records are:
 - Kept under the supervision of the Chairman and the Board
 - Kept in a manner per generally accepted accounting principles.
- Having signature authority of funds
- Presenting written quarterly financial reports and annual audited financial reports to the Board
- Reviewing monthly financial statements and distributing to the Finance and Audit Committee for review.

Suspension or Removal of Directors

1. Directors shall be subject to removal from the Board as defined in the LMUG bylaws if any of the following apply:
 - a. They are no longer eligible as stated elsewhere in these policies or bylaws
 - b. They are no longer carrying out the duties and responsibilities of their directorship as specified in these policies
 - i. They have committed an act (or acts) that contravenes the purpose and/or ethics LMUG
 - ii. Attendance is not in accordance with policy
 - iii. Other reasons as deemed appropriate by the board
2. Any eligible Board member who becomes unemployed or is not eligible as an end-user member will be given a 90-day grace period. If the Board Member is still not eligible as an end-user member at the end of the 90-day grace period, the Board member will be automatically removed as a Director.

Elections Policy

1. Purpose of Policy
 - a. To define the process for the elections of the LMUG Board.
2. Nominating Committee Responsibilities
 - a. Solicit qualified candidates for all Board positions.

- b. Certify that a candidate for election is qualified and has submitted the required documentation.
 - c. Develop a slate of qualified candidates for all open Board of Directors positions.
 - d. Recommend slate of candidates for Board approval.
 - e. Supervise the election process.
- 3. Qualifications for Candidates
 - a. The qualifications for candidates are specified in the Bylaws
- 4. Required Documentation
 - a. Candidate Nomination Form
- 5. Board Responsibilities
 - a. Any member of the Board shall remain impartial during the election process and shall refrain from publicly endorsing any candidate.
 - b. Board will be asked to vote on the presented slate of candidates
- 6. Voting Process
 - a. The Nominating Committee Chair will appoint, prior to election, an existing Director who is not a candidate to break any ties.
 - b. In the event of a tie, the Director appointed to break any ties will be contacted by staff and without the knowledge of the Nominating Committee to cast the tie-breaking vote(s).
 - c. Slate approval by membership will be done electronically
 - d. Simple majority of participating members required to approve
- 7. Complaints
 - a. All questions or complaints should be directed to the Nominating Committee Chair.
 - b. The Nominating Committee Chair will investigate any formal, written complaint and shall give his/her report and decision to the Board.
 - c. A written appeal may be submitted by a complainant to the Board for final decision.
- 8. Miscellaneous
 - a. An election timeline will be developed by the Nominating Committee and approved by the Board prior to every election.

Officer Elections

Election of Officers shall be held prior to the end of the calendar year by the vote of the Board of Directors. The Board of Directors shall hold an election to elect Officers from among the Directors.

The Board shall solicit nominations from the eligible Directors for the offices of Chairman, Vice Chairman and Secretary/Treasurer. Directors may self-nominate. If there is only one nominee, then the Board can call for a motion that the nominee be elected in that specific Officer role for the next term. If there is more than one nominee, then the Board can call for a vote for each nominee. The nominee who receives most the votes of those present shall be elected Officer for the next term. In the event of a tie vote, a coin flip shall be used to break the tie. The

Officers will be selected in the following order: Chairman, Vice Chairman and Secretary/Treasurer.

Management Staff: Resource(s) responsible for the successful development, management and execution of all LMUG strategic priorities, programs and activities that contribute to the fulfillment and advancement of its mission.

Adherence to Bylaws and Policies

LMUG's bylaws require LMUG directors and members, as a condition of membership, to abide by these policies and all other rules and regulations adopted by LMUG. In addition, all participants in LMUG activities, as a condition of their participation, shall similarly agree to abide by LMUG bylaws, policies and canons of conduct. While these policies attempt to cover all LMUG activities, those activities or situations not addressed herein are subject to review and action by Board of Directors.

Committees

LMUG may choose to execute its strategies through a committee structure comprised of LMUG volunteers, Mitel representatives and staff that are accountable to the Board of Directors. LMUG will strive to keep committees to the minimum needed for efficient, high quality business conduct. Each committee will have a Board representative either as Chair or as a liaison. As needs require, committees may be created, upon approval of the Board of Directors.

Membership

Current Eligibility

LMUG membership may be granted to any individual that:

- A. Is interested in and agrees to support the purposes and activities of the organization
- B. Agrees to abide by the LMUG bylaws and policies, rules and regulations LMUG may adopt
- C. Meets the additional criteria established for each category of membership in LMUG as defined in the bylaws.

Member Code of Conduct

In order that LMUG may better achieve its purposes, the following Code of Conduct shall govern the conduct of all members, member representatives and event attendees. All such members, member representatives and attendees about all LMUG matters and activities shall:

- A. Abide by the bylaws and policies of LMUG
- B. Notify Board of any potential illegal or unethical practices

- C. Refrain from participating in any potential illegal or unethical practices
- D. Supporting, respecting and abiding by any applicable laws
- E. Only engage in sales activity, distribution of materials, and recruiting through those means approved and sponsored by LMUG
- F. Refrain from engaging in any activity which would compromise the privacy, confidentiality or proprietary rights of all entrusted information
- G. Accept full responsibility for work performed
- H. Protect the integrity of LMUG activities by:
 - a. Properly registering and displaying appropriate credentials
 - b. Acting in a professional manner consistent with and not disruptive to the business and social activities sponsored by LMUG
 - c. Using membership or attendee lists only with proper approval by the organization
 - d. Using the LMUG name in the conduct of LMUG business in accordance with the LMUG policies
 - e. Seeking authorization to use and provide acknowledgement for the work of others
 - f. Presenting factual and objective information as best as possible

Value Proposition for LMUG Membership

Any individual with a role within the Mitel ecosystem can join LMUG:

- A. LMUG membership benefits shall include the following, but not limited to:
 - a. Participation in LMUG meetings and events
 - b. Access to the web site, including discussion forums and virtual networking
 - c. Subscription to the LMUG publications
 - d. Attendance on educational webinars
 - e. Access to any scheduled membership meetings
 - f. Any additional benefits deemed appropriate by the Board of Directors that are not outlined above

Membership Fulfillment Procedures

- A. Application for membership: Requests for membership shall be made by submitting a written online membership application which shall be subject to approval under criteria and procedures established by the Board of Directors. Activation of membership is the responsibility of staff. All GMUG or other LMUGs will be notified of new members with interest this LMUG or in another LMUG.
- B. Voting: On all matters coming before the membership, each End User Member shall be entitled to one vote. No other class of members shall be entitled to vote
- C. Resignation: Members may resign from LMUG at any time by giving written notice to LMUG staff.

Termination of Membership

- A. Membership may be permanently terminated for cause. Sufficient cause for such termination of membership shall be a violation of the bylaws or any rule or policy. Expulsion shall be by two-thirds vote of the Board of Directors, provided, however, that a statement of the charges have been distributed to member at least fifteen (15) days before final action is to be taken. This statement shall be accompanied by a notice of the day and time of the Board of Directors meeting at which the charges shall be considered, and the member shall have the opportunity to present any defense to such charges before action is taken by the Board
- B. In addition, the membership of any member who becomes ineligible shall be terminated automatically. In special circumstances, such termination may be delayed by the Board of Directors

Use of Membership Data

- A. LMUG membership data is the confidential, proprietary information of LMUG. To protect members from solicitation and recruiting, membership data may not be distributed to any person, business or organization without the prior approval of the Board of Directors. LMUG will use all appropriate and available measures to protect members from non-LMUG related solicitation and recruiting, and to fulfill obligations of confidentiality expressed herein and in the bylaws.
- B. Membership data, in any type of format, may be shared between LMUG and Mitel to meet the business needs of LMUG and as approved by the Board of Directors.
- C. Recipients of any form of membership data must sign a non-disclosure form that ensures the data will only be used for the specific request and will be kept confidential
- D. LMUG will make every effort to protect and secure member data.
- E. LMUG is responsible for maintaining and protecting their membership data.

Financial Management Policy

The Secretary/Treasurer, under the direction of the Board, will ensure LMUG assets are protected, adequately maintained and not unnecessarily risked.

Financial Management Guidelines

Accordingly, and only as they relate to LMUG assets and finances, the following guidelines apply:

- A. Contract Signing and Payment Approval: Approval is required as listed below based on the totality of the contracted amount. These thresholds apply for all LMUG programs and investments:
 - a. £2,000 or less: The Secretary/Treasurer and at least one other Officer required
 - b. £2,001+: Majority of full Board
 - c. No one can approve their own expenses
- B. Payment Processing
 - a. £1,000 or less: Secretary/Treasurer or mandated staff
 - b. £1,001 - £2,000: Secretary/Treasurer
 - c. £2,001+: Secretary/Treasurer and at least one other Officer required
- C. Electronic and facsimile approvals may be accepted as written authorization.
- D. Annual Audit: LMUG will obtain an audit of itself by an independent licensed CPA firm on an annual basis

Budgeting/Forecasting

- A. Budgeting any fiscal year or the remaining part of any fiscal year shall not deviate materially from priorities, risk fiscal jeopardy, nor fail to show a generally acceptable level of foresight. Accordingly, the Board shall cause budgeting which:
 - a. Contains adequate information to enable:
 - i. Accurate projection of revenues and expenses
 - ii. Cash flow projections based upon sound assumptions

- b. Plans the expenditure in any fiscal year within the amount of funds than are realistically projected to be received unless authorized by the Board
 - c. Provides sufficient funds for Board prerogatives, such as costs of fiscal audit, Board development, approved travel, Board and committee meetings, and Board legal fees
- B. Process and Calendar: The LMUG budget is developed annually by the Finance and Audit Committee and the LMUG support staff and will be presented to the full board for approval. The annual budget should be approved by March 15 of each year to adequately prepare for the next year's financial cycle.

Board Travel and Expense Reimbursement Policy

LMUG will pay or reimburse reasonable, legitimate expenses for approved travel undertaken for conducting LMUG business. For expenses to be paid or reimbursed, travelers will be required to adhere to the following regulations and procedures.

NOTE: This policy applies to anyone who travels on LMUG business and expects to be reimbursed or have expenses paid by LMUG.

Except in emergency or critical situations, funding for all proposed travel must be included in the current year's approved operating budget. Any unbudgeted travel must be approved by the Chairman and Secretary/Treasurer.

The following types of travel expenses, within reason, will be paid or reimbursed by LMUG:

- A. Travel should be shown to be the most cost effective method available and arranged as early as possible
- B. The following items are covered:
 - a. Travel to/from meetings and/or events, including transportation to/from traveler's home and departure point, and arrival point and meeting location
 - b. Fees for checked luggage
 - c. When personal automobiles are used for ground transportation, reimbursement shall be in the form of a per-mile (kilometer) amount not to exceed the current government allowance in the traveler's country
 - d. Hotel room lodging and tax for standard rooms; upgrades will not be reimbursed
 - e. User proper judgment for meal reimbursement, sample guidelines below:

- i. Dinner: £50.00 GBP
 - ii. Lunch: £30.00 GBP
 - iii. Breakfast: £15.00 GBP
 - iv. Snacks/Misc: £5.00 GBP
 - f. Shipping of meeting materials to or from the traveler's office
 - g. Gratuities for bell or housekeeping staff, porters, and other service personnel
 - h. Internet access/connectivity
- C. The following are not considered reimbursable expenses:
- a. Sightseeing and entertainment
 - b. Expenses for non-Board members accompanying Board members to LMUG functions
 - c. Long distance calls to home or office
 - d. Any other expense not included in Item B above unless approved by the Board or the Treasurer
 - e. Be aware of arranging your own additional insurance coverage

Travelers must submit a LMUG Expense Reimbursement form to the identified point of contact after the trip is completed. Expense reports must be accompanied by copies of original receipts. Each expense must be separately itemized. All reimbursement request and accompanying receipts must be submitted within 90 days of the expenditure

The use of any LMUG organization funds, credit cards or services for personal use is strictly prohibited. Any cash withdrawal must be documented and approved as part of an expense report submission.

Global Group Affiliation

The LMUG is a group of members in a specific region represented by an end-user member(s), who serves as the active leader in that area. These groups manage, plan and promote their own activities and are responsible for managing their local membership operations.

LMUG will remain signed up to the Cooperation Agreement with GMUG to acknowledge relationship between the two entities. and programs on their own.

LMUG should maintain active contact with the GMUG in providing updates on all activities for broader promotion and awareness of LMUGs.

GMUG leaders and/or liaisons will promote and inform members of all activities and opportunities associated with LMUG programs and will provide two-way communication between their the global group members and the LMUG Board of Directors. The LMUG will promote all local activities it is made aware of.

Common Practice

Use of LMUG Name

The LMUG's name, marks and logos may be used only in conjunction with LMUG business and only upon the prior written authorization of the Board of Directors. LMUG's name, marks and logos shall not be used where such use could be construed as an endorsement of a company, person, product, service or activity. However, LMUG speakers, members and presenters may acknowledge their participation in LMUG, including awards received, in their vitae, biographies and resumes.

Whistleblower Protection Policy

LMUG prides itself on its adherence to applicable laws and/or regulations, including business ethics policies. As such, even though it is not obligated to do so, LMUG has decided to voluntarily adopt a whistleblower protection policy. Pursuant to this policy, any Director, employee, volunteer or agent who becomes aware of any violation of applicable law or regulation, including any financial wrongdoing, should immediately report the violation to the Chairman to allow LMUG to investigate and, if applicable, correct the situation or condition.

If the Chairman is involved or is believed to be involved in the matter being reported, the Director, employee, volunteer or agent may, make a report to any other Director of the Board. LMUG will investigate and take appropriate action within a reasonable period. Such complaints will be held in confidence to the extent the needs of the investigation permit.

"Financial wrongdoing" may include, but is not limited to:

- Questionable accounting practices;
- Fraud or deliberate error in financial statements or recordkeeping;
- Deficiencies of internal accounting controls;
- Misrepresentations to company officers or the accounting department (including deviation from full reporting of financial conditions).

If any Director, employee, volunteer or agent reports in good faith what he or she believes to be in violation of the applicable law and/or financial wrongdoing to LMUG, its legal counsel, or

to an applicable agency or assists in an investigation concerning financial wrongdoing, it is LMUG's policy that there will be no retaliation taken against him or her.

Director, employee, volunteer or agent is reminded of the importance of keeping financial matters confidential. Director, employee, volunteer or agent with questions concerning the confidentiality or appropriateness of disclosure of information should contact the Chairman.

Nothing in this policy is meant to prohibit a Director, employee, volunteer or agent from disclosing a matter covered by this policy directly to any government or law enforcement agency. This policy does not modify the at-will nature of the relationship between the Director, employee, volunteer or agent and LMUG.

Document Retention Policy

LMUG will retain organizational records as follows:

Retain Permanently

- A. Corporate Records – Articles of Incorporation, Bylaws, other organizational documents, Board and standing committee minutes, auditor reports, insurance policies
- B. Intellectual Property Documents – Copyright and trademark registrations and samples of protected works, and exam items and related materials.
- C. Tax Documents – Filed state and federal tax returns, tax exemption determination letter and related correspondence (all supporting information and documentation for federal and state returns, deductions, refunds, etc.)

Retain for 7 Years

- A. Accounting Documents: Correspondence files, past budgets, bank statements, financial statements, expense reports, accounts receivables, accounts payable, reconciliations and invoices.
- B. Personnel: All employee personnel records (as applicable) including earnings/payroll records, contracts, government reports and time sheets