



JCS-Inc. Policies

7009.1 Succession Planning for CEO and Top Level Positions Policy

Effective Date: December 13, 2019 Approved by: Board of Directors

Policy:

Elements of a Succession Plan

1. Statement of commitment to prepare for inevitable leadership change
2. Statement of commitment to assess leadership needs before beginning search
3. Plan to appoint interim leadership to ensure smooth operations and compliance with contractual obligations
4. Outline of succession procedures including:
 - a. Internal management succession to the interim position,
 - b. Timeframe for making the interim appointment,
 - c. Time frame for appointing a board transition committee, and
 - d. Roles of the transition committee, e.g. communication with stakeholders, identifying a transition management consultant, conducting an organizational and designing the search plan.

A change in executive leadership is inevitable for all organizations and can be a very challenging time. Therefore, it is the policy of JCS, Inc. to be prepared for an eventual permanent change in leadership-either planned or unplanned- to ensure the stability and accountability of the organization until such time as new permanent leadership is identified. The board of directors shall be responsible for implementing this policy and its related procedures.

It is also the policy of the board to assess the permanent leadership needs of the organization to help ensure the selection of a qualified and capable leader who is representative of the community, a good fit for the organization's mission, vision, and values, goals, and objectives, and who has the necessary skills for the organization. To ensure the organization's operations are not interrupted while the board of directors assesses the leadership needs and recruits a chief executive officer, the board will appoint interim executive leadership as described below. The interim chief executive officer shall ensure that the organization continues to operate without disruption and that all organizational commitments previously made are adequately executed, including but not limited to, loans approved, reports due, contracts, licenses, certifications, memberships, obligations to lenders or investors of JCS, Inc., and others.

It is also the policy of JCS, Inc. to develop a diverse pool of candidates and consider at least three finalist candidates for its permanent CEO position. JCS, Inc. shall implement an external recruitment and selection process, while at the same time encouraging the professional development and advancement of current

employees. The interim CEO and any other interested internal candidates are encouraged to submit their qualifications for review and consideration by the transition committee according to the guidelines established for the search and recruitment process.

Original Policy: 06/17/2019