

QNB Bank - Market Area



QNB

Your Community Bank

Community Support Policy



QNB BANK

COMMUNITY SUPPORT POLICY

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QNB BANK COMMUNITY SUPPORT POLICY

November 18, 2008

I. Purpose

QNB Bank (QNB) is dedicated to supporting worthwhile organizations and causes in the community. This policy outlines basic guides for giving and provides an overview of the community support program. By following this policy we can ensure that resources are equitably distributed throughout the communities that the Bank serves.

II. Definitions

For budget and processing reasons the bank breaks down community support into two types—DONATIONS and CONTRIBUTIONS & SPONSORSHIPS.

A. DONATIONS are a separate budget item which are comprised of three categories:

1. **Direct Tax Deductible Financial Support** to an organization which meets IRS guidelines as a 501(c)(3) charitable organization.
2. **Institutional Advertising** to benefit an organization which explicitly states that the cost of such advertising is tax deductible.
3. **Item Donations** are made up of door prizes, awards, support material i.e. balloons, pens, rulers, etc. which are given to an organization for a specific event.

B. CONTRIBUTIONS AND SPONSORSHIPS are a separate budget item which are comprised of three categories:

1. **Team Sponsorships.**
2. **Institutional Advertising** which is not tax deductible.
3. **Program Sponsorship** of an event to benefit an organization.

III. Procedures

Public Relations and Community Support are programs which are coordinated through the Marketing Department. This department sets budget figures for community support and processes requests for these funds. Marketing provides central record-keeping for support requests and assures that no duplication of support occurs.

All requests received by branch or department personnel should be referred to the Marketing Department by using the "Request for Support" form (page 4). In order to assist in processing

a request, it is imperative that the employee fill out this form. The form should include as much information as possible about the organization and most importantly a recommendation for giving support.

Employees who are requesting sponsorship should use the same form, remembering to include valid documentation of involvement.

A. APPROVAL

All requests, no matter how small or large, should be processed through the Marketing Department. This will ensure that budget control is maintained. The following approval limits apply:

Request for,

- up to \$1,500 need approval of the VP of Marketing
- \$1,501 - \$2,500 need approval of the VP of Marketing and one member of the Executive Committee.
- \$2,501 - \$4,999 need approval of the Executive Committee.
- \$5,000 & over or any donation outside of policy guidelines need approval of the Board of Directors.

IV. Outlines for Community Support

Because requests exceed funds available, each proposal should be viewed within the framework of the following guidelines; keeping in mind the bank's commitment to help organizations which need support and provide a viable benefit to the community and its residents. The following factors should be considered in a decision to provide support.

A. BASIC GUIDELINES

1. Is the organization and/or event based in our market area and does it provide a benefit to the communities within our market area? (See page 5 for detail of the bank's market area.) Regional and National organizations may qualify if they hold an event or benefit within the market area.
2. The benefit to the community and the bank versus the cost involved.
3. The credibility and track record of the organization.
4. The total amount of contributions, both monetary and nonmonetary, given to the same organization within the year.
5. The organization's relationship or individual member's relationship with the bank.

B. TYPES OF ORGANIZATIONS

1. Small organizations i.e., Cub Packs, Sports Teams, Social Clubs, etc.
2. Midsize organizations i.e., Service Clubs, Sports Leagues, Chambers of Commerce, etc.
3. Large organizations i.e., School Districts, Foundations, National and Regional Charitable Organizations

C. WE DO NOT SUPPORT

1. Organizations and programs designed to influence legislation or elect candidates to public office.
2. Individuals.
3. Endowment funds.
4. Ecclesiastical programs of churches or other sectarian organizations (except education, youth, and community-related projects).

V. Employee Sponsorships

The bank will sponsor an employee who participates in a charitable event or special event where the bank will receive positive publicity.

The following guidelines apply:

1. The bank will not sponsor an employee's spouse, children or other relatives.
2. The same "basic guidelines" apply to the employee sponsorships; however, each request will be reviewed on its individual merits.
3. Levels of support will be determined by the individual event and budget at the time of request.

VI. Employee Support & Involvement

In addition to financial support, we as bankers and respected leaders in our communities are often asked to head a fund-raising drive, hold office in a service club, or assist in other community projects. These and other activities are forms of support and the bank expects its employees and officers to participate in one or more programs.

When these same organizations request funding, consideration is given to the value already given in the form of employee time and expertise, weighing the benefits the bank and the community as a whole receive, versus the total investment in time, expertise and dollars.



REQUEST FOR SUPPORT

Date of request	
Name of organization	
Contact Person	
Address	
City, State, Zip	
Phone Number	
Federal Tax ID Number	

Request for: Monetary Support Item Donation (*door prize, handouts, etc.*) Both

Amount(\$)/item requested: _____ Date of event: _____

Please describe your request...

Does the organization have a current account relationship with QNB? Yes No

If yes, what type of account(s)? Checking Savings Money Market Investments
 Certificate of Deposit Loans
 Other _____

Has QNB received this request in the past? Yes No

What are the benefits to the organization if this request is approved?

What are the benefits to QNB if this request is approved?

What are the benefits to our community if this request is approved?

Signature _____

Please return your completed request to any QNB Branch or mail to QNB, PO Box 9005, Quakertown, PA 18951

FOR BANK USE ONLY

Employee name: _____ Branch/Department: _____ Ext.: _____

Recommendation: _____

Employee signature:

Date:

