**EXTENSION OF CREDIT TO BOARD MEMBERS AND STAFF POLICY**

**Purpose**

This document formalizes the policy of the ALLEGANY COUNTY TELECOMMUNICATIONS DEVELOPMENT CORPORATION (the “Telecommunications Development Corporation”) with respect to prohibiting the extension of credit to Board Members and staff of the Telecommunications Development Corporation.

**Background**

Public Authorities Law (“PAL”) § 2824(5) prohibits the board of a public authority from, directly or indirectly (including through any subsidiary) extending or maintaining credit, arranging for the extension of credit, or renewing an extension of credit, in the form of a personal loan to or for any officer, Board Member or employee (or equivalent thereof) of the authority.

The Authorities Budget Office, in connection with the Allegany County Telecommunications Development Corporation annual report, asks for information confirming that the Telecommunications Development Corporation has a policy prohibiting such extensions of credit.

**Policy**

The Board shall not, directly or indirectly, including through any subsidiary, extend, secure or arrange personal loans for the benefit of any officer, Board Member or employee (or equivalent thereof) of the Telecommunications Development Corporation.